

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1525 - HB 1528

March 13, 2009

SUMMARY OF BILL: Requires the Department of Commerce and Insurance to register process servers who do not work for a lawyer, the government, or law enforcement. Requires process servers to file specific documents with the clerk of each court from which such process will be issued.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue - \$95,700/FY09-10
\$56,800/FY11-12 and Subsequent
Years/Private Process
Servers Board**

**Increase State Expenditures - \$37,400/FY09-10
\$56,800/FY10-11 and
Subsequent Years/
Private Process
Servers Board**

Increase Local Expenditures – Not Significant

Assumptions:


- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. The establishment of this new registration program provides that this statute is applicable. Initially, fees will be paid in an amount sufficient to cover the one-time start-up costs and the salary expenditures of one half FY09-10 and all of FY10-11. Beginning in the third year, fees will be collected on a biennial basis in an amount sufficient to cover recurring expenditures.
- According to the Department of Commerce and Insurance, there would be an estimated 1,200 applicants for this registration.
- One-time expenditures of \$9,000 (\$5,000 rule-making hearing, \$2,000 office landscaping, \$2,000 computer and programming).

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- The Department will need an additional position to receive and process applications, enter data into the computer licensing program, and issue licenses. The recurring state expenditures for this position are estimated to be \$56,800 (\$25,542 salary + \$13,158 benefits + \$11,200 administrative cost + \$4,200 computer equipment charges + \$1,000 supplies and communication + \$1,700 office space lease). Expense for FY09-10 is estimated at one-half the recurring cost (\$28,400) as this bill does not take effect until January 1, 2010.
- Any cost to the local governments for registration can be accommodated within existing resources and are estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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